

MATTHEW K. BABCOCK, CPA/CFF, CFE, CIRA
BERKELEY RESEARCH GROUP, LLC
201 South Main Street, Suite 450
Salt Lake City, UT 84111
Telephone: 801-364-6233
Facsimile: 801-355-9926
E-mail: mbabcock@thinkbrg.com

Financial Advisor to the Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MONTANA**

_____)	
In re:)	Chapter 11
)	
Roman Catholic Bishop of Great Falls, Montana,)	
A Montana Religious Corporation Sole (Diocese)	Bankruptcy Case No. 17-60271-JDP
Of Great Falls – Billings),)	
)	
Debtor-In-Possession)	
)	
_____)	

FIRST AND FINAL APPLICATION FOR PROFESSIONAL FEES AND COSTS

Berkeley Research Group LLC (“**BRG**”), accountant and financial advisor to the Official Committee of Unsecured Creditors (the “**Committee**”) of the Roman Catholic Bishop of Great Falls Montana, a Montana Religious Corporation Sole (the “**Debtor**”), hereby submits its *First And Final Application for Professional Fees and Costs* (the “**Application**”).

APPLICATION

A. Background Facts

1. On March 31, 2017 (the “**Petition Date**”), the Debtor filed a voluntary petition for relief under Chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Montana (the “**Bankruptcy Court**”) and is captioned *In re Roman Catholic Bishop of Great Falls, Montana, a Montana Religious Corporation Sole*

(*Diocese of Great Falls - Billings*), Case No. 17-60271-JDP (the “**Chapter 11 Case**”). No trustee or examiner has been appointed in the Chapter 11 case, and the Debtor is managing its properties and businesses as a debtor-in-possession.

2. The Debtor commenced its Chapter 11 Case to address sexual abuse claims against the Debtor as of the Petition Date, specifically seventy-two (72) pending sexual abuse claims against the Debtor that were known as of the Petition Date. *See Affidavit of Darren Eultgen, Chancellor, Regarding Structure and Pre-Filing History of Debtor and in Support of Chapter 11 Petition and First Day Pleadings* dated as of March 31, 2017 [Docket No. 19] at par. 29.

3. On May 1, 2017, the United States Trustee for Region 18 appointed the Committee. The Committee is comprised of eight (8) sexual abuse survivors who asserted claims against the Debtor prior to the Petition Date.

4. The Committee filed the *Application Of The Official Committee Of Unsecured Creditors For Entry Of An Order Authorizing And Approving The Employment Of Berkeley Research Group, LLC As Accountant And Financial Advisor To The Official Committee Of Unsecured Creditors* (the “**Employment Application**”) [Docket No. 193] on September 25, 2017. Pursuant to the Employment Application, the Committee sought to retain BRG as accountant and financial advisor to the Committee.

5. An Order approving BRG’s employment was entered by the Court on September 28, 2017 [Docket No. 195].

6. Professional services were commenced on October 16, 2017.

7. This Application is the first and final application filed by BRG in this Chapter 11 Case. As such, the Court has not allowed or disallowed any fees or expenses requested by BRG to date.

8. To date, BRG has not received any compensation from any source with respect to its

services provided to the Committee.

9. This Application is based on the performance of professional services by the following individuals at the rates for the number of hours described below.

Professional	Position	Hourly Rate (2017)	Hourly Rate (2018)	Total Time	Amount Requested
Judd, David	Managing Director		\$ 640.00	0.3	\$ 192.00
Shields, Paul	Managing Director		560.00	5.4	3,024.00
Babcock, Matthew	Associate Director	\$ 470.00		13.0	6,110.00
Babcock, Matthew	Associate Director		485.00	82.5	40,012.50
Anthon, Sherry	Paraprofessional		185.00	18.3	3,385.50
Calder, Victoria	Paraprofessional		90.00	14.6	1,314.00
Total Hours					134.1
Total Fees					\$ 54,038.00
Total Expenses					\$ 54.20

10. Total compensation requested, including fees and expenses: \$54,092.20.

11. The time period covered by this Application is October 16, 2017 through October 5, 2018 (the “**Application Period**”).

12. The compensation requested reflects BRG’s standard hourly rates which are based on customary compensation charged by similarly skilled practitioners in cases other than cases under the Bankruptcy Code.

13. Applicant certifies that none of the compensation or reimbursement for costs applied for in this application will be shared with any entity in violation of 11 U.S.C. § 504.

14. Attached as **Exhibit A** hereto are invoices reflecting complete time records detailing each service performed by date, description, and the number of hours expended, under the appropriate project categories, for which compensation is requested.

15. A complete accounting for all costs incurred for which reimbursement is requested is included in the invoices attached hereto as **Exhibit A**.

16. The amount of costs was computed utilizing the following method of allocation: costs billed to BRG from third party-vendors are billed at cost with no mark-up by BRG. BRG seeks reimbursement for such costs pursuant to this Application. Such costs are reflected on BRG's invoiced attached hereto as **Exhibit A**.

17. The Committee has been given the opportunity to review this application and approves of the requested amount.

PROJECT SUMMARY

18. A detailed list of all time spent on the Chapter 11 Case by BRG's professionals is attached as **Exhibit A**. Compensation and reimbursement are being sought for the following:

A. Document Analysis (Monthly Operating Reports)

19. During the Application Period, BRG analyzed 11 monthly operating reports filed by the Debtor for the months of April 2017 through February 2018. BRG's services included evaluating financial and operating activity reported in the Debtor's balance sheets and income statements and summarized in the Debtor's statements of cash receipt and disbursement. BRG also examined supporting transaction documents and data provided by the Debtor as part of the monthly reporting process. BRG performed these services in order to monitor the Debtor's monthly financial activity and its general sources and uses of funds. As part of its analysis, BRG identified questions and other follow-up items and discussed these items with the Debtor's chief financial officer. Finally, BRG performed comparative analyses on the Debtor's reported financial activity in order to develop and evaluate historical performance and trends. BRG reported its findings to Committee counsel.

Fees: \$14,968.50 Total hours: 30.9

B. Document Analysis (Financial)

20. During the Application Period, BRG analyzed audited and internal financial statements for the Debtor and its related entities for the 9 year period covering 2009 through 2017. In

addition, BRG examined the Debtor's bank and brokerage account statements and related supporting documentation for the 7 year period covering 2012 through 2018.

Fees: \$8,666.00 Total hours: 28.9

C. Asset Analysis (Real Property)

21. During the Application Period, BRG evaluated approximately 55 properties identified in the Debtor's Statement of Financial Affairs that was in the name of or otherwise related to the Debtor in order to assist Committee counsel in the identification of potential assets. BRG reported its findings to Committee counsel.

Fees: \$6,067.00 Total hours: 24.4

D. Adversary Proceeding Analysis

22. During the Application Period, BRG assisted Committee counsel in its analysis and preparation of *Complaint For Declaratory Relief Regarding Property Of The Estate* [Docket No. 251] (the "**Complaint**"). As part of its services, BRG analyzed financial documents and records, including documents related to assets that the Debtor asserted were restricted. BRG assisted in the review and revision of the Complaint. BRG had periodic discussions with Committee counsel in order to report its findings.

Fees: \$5,217.00 Total hours: 11.1

E. Motion To Dismiss Analysis

23. During the Application Period, BRG assisted Committee counsel in responding to the Debtor's *Motion To Dismiss Chapter 11 Case* [Docket No. 324], which was filed on March 13, 2018. As part of its analysis, BRG evaluated issues related to a confirmable non-consensual creditor's plan of reorganization. BRG evaluated the Debtor's assets and issues related to the Debtor's viability on a go forward basis in the context of a proposed creditor's plan.

Fees: \$16,840.00 Total hours: 34.1

F. Fee Application Preparation & Hearing

24. During the Compensation Period, BRG prepared this Application (including **Exhibit A** and related summary sheet) covering the time period from October 16, 2017 through October 5, 2018.

Fees: \$2,279.50 Total hours: 4.7

WHEREFORE, BRG prays that this Court enter an Order allowing as final and awarding applicants reasonable professional fees in the amount of \$54,038.00 and reimbursement of costs and expenses in the amount of \$54.20, authorizing payment of the same.

DATED this 31st day of October, 2018 at Salt Lake City, Utah.

BERKELEY RESEARCH GROUP, LLC

By: 
Matthew K. Babcock, CPA/CFF, CFE, CIRA

Accountant and Financial Advisor for the Official
Committee of Unsecured Creditors